Funding of Fertilizer Companies by IDBI

1212. SHRI SANJAY DALMIA: Will the Minister of FINANCE be pleased to state:

(a) the names of fertilizer companies, which were funded by IDBI for the last three years;

(b) the total funds disbursed so far, company-wise; and

(c) whether any of these companies so funded, belong to any large business group, who is a defaulter, as per RBI guidelines?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) The details of financial assistance sanctioned and disbursed by the Industrial Development Bank of India (IDBI) under its direct finance schemes to fertilizer companies (including companies in the large houses as defined in terms of the outstanding loan and investment and other assistance of IDBI) during the last three years are as under:

(Rs. crore)

	No. of Units	Amount sanctioned	Amount disbursed
1993-94	7	503.8	289.0
1994-95	7	267.1	132.7
1995-96	11	1831.8	494.6

Out of the above, 5 companies belonged to large houses during 1993-94, 6 companies during 1994-95 and 6 companies during 1995-96. IDBI has reported that none of these companies are in default to it.

However, in accordance with the practices and usages customary amongst banks and in conformity with provisions of statuts governing public sector banks and financial institutions as also the provisions of Public Financial Institutions (Obligation as to Fidelity and Secrecy) Act, 1983, the company-wise details cannot be divulged.

Enquiry by RBI into Stock-Invest Scams in Private Sector Banks

1213. SHRI OP. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India, had been enquiring into stock-invest scams in the private sector banks;

(b) if so, whether the enquiry has been completed and if so, the findings thereof and the banks where stock-invest scams have taken place giving the modus operandi adopted therein and the role of the bank authorities in those scams;

(c) what action Government propose to take against those banks including cancelling their licences to run the banks to bring banking discipline and accountability; and

(d) what action is required to be taken against the bank authorities when laid down banking norms are not followed by them?

THE FINANCE MINISTER (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) to (d) Bank-wise details of the irregularities committed and action taken thereon as reported by the Reserve Bank of India are given in the Statement.